

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

CRIMINAL NO. 04-10066-MEL

UNITED STATES OF AMERICA,

Plaintiff,

v.

JAMIE EDELKIND,

Defendant,

**LEHMAN BROTHERS BANK, FSB'S VERIFIED CLAIM AND PETITION FOR
HEARING TO DETERMINE PRIORITY OF ITS LIEN AND INTEREST IN THE REAL
PROPERTY AT 940 NANTASKET AVENUE, HULL, MA.**

Now comes Lehman Brothers Bank, FSB (hereinafter "Lehman") and files this petition pursuant to the notice provided in the Preliminary Order of Forfeiture served on it by the United States. Lehman states that it is the holder of the first mortgage on the property located at 940 Nantasket Avenue, Hull, MA (hereinafter the "Property"), and that any proceeds from the sale of the Property should first be applied to fully satisfy the mortgage held by Lehman. To the extent that any funds remain following payment of Lehman's Mortgage, the remainder should be distributed by the Court to any other interested lien holders as determined by this Court. In support thereof, Lehman states the following:

1. On or about August 25, 2004, Linda Edelkind, executed a Note in the original principle amount of \$3,300,000.00. A true and accurate copy is attached hereto as Exhibit A.

2. On or about August 25, 2004, Linda Edelkind executed a Mortgage in the original principle amount of \$3,300,000.00 secured by the Property. A true and accurate copy is attached hereto as Exhibit B.
3. Lehman Brothers Bank, FSB (hereinafter "Lehman") is the legal and beneficial owner of the first mortgage with respect to the Property, and the current holder of the Note and Mortgage executed by the defendant's spouse, Linda Edelkind. See true and accurate copy of Declaration of Rick Skogg attached hereto as Exhibit C. The original Declaration is already on file with the Court.
4. Lehman had no knowledge of any alleged wrongdoing by Linda Edelkind or Jamie Edelkind, and should not be prejudiced by their misconduct.
5. The debt owed to Lehman should be satisfied in full before the Property, or any funds from the sale of the Property are distributed or confiscated by any party.
6. The amount owed to Lehman on the Mortgage, good through August 31, 2005, is \$3,595,317.05. The interest continues to accrue and the per diem interest is \$813.25. See Exhibit D payoff letter, and Exhibit E Itemization of Recoverable Corporate Advance Balance History and Escrow Advance Balance History.
7. Lehman conducted an appraisal on April 20, 2005. Said appraisal report indicates the value of the property to be \$1,000,000.00 (One Million Dollars). A true and accurate copy of the appraisal is attached hereto as Exhibit F.
8. As the sale of the Property is not likely to generate sufficient funds to pay Lehman in full, it is unlikely that there will be any funds remaining for distribution to any other parties.

WHEREFORE, the Petitioner, Lehman Brothers Bank FSB, respectfully requests that this Court:

1. Order that any funds generated by the sale of the Property by the United States Marshal's Office, shall be paid first to Lehman to satisfy its Mortgage in full, including all interest and costs incurred by Lehman in connection with the Mortgage; and order that any funds remaining after full satisfaction of Lehman's Mortgage on the Property be deposited with this Court for further distribution as determined by this Court;
2. Order that Lehman's Mortgage shall be paid in full, including all interest and costs incurred by Lehman in connection with the Mortgage.; and
3. Grant such other and further relief as is just and proper.

Signed under the pains and penalties of perjury.

LEHMAN BROTHERS BANK, FSB

By: Rick W. Skogg

Its: Vice President

STATE OF Colorado

County of Douglas ss

August 11, 2005

On this 11th day of August, 2005, before me, the undersigned notary public, personally appeared Rick W. Skogg, ~~proved to me through satisfactory evidence of identification, which was~~, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily for its stated purpose.

Capacity: (as Vice President) for Lehman Brothers Bank, FSB

Lynette A. Spohn
My commission expires _____

LYNETTE A. SPOHN
(Sign and Affix)
NOTARY PUBLIC
STATE OF COLORADO

My Commission Expires 8/19/2006

Respectfully submitted,
LEHMAN BROTHERS BANK, FSB
By its Attorneys,



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Dated: 8/12/05